Prepared By:
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TERMINATION OF HANGAR DEVELOPMENT LEASE AGREEMENT AND ACKNOWLEDGMENT OF REVERSION OF LEASED PREMISES

THIS TERMINATION OF HANGAR DEVELOPMENT LEASE AGREEMENT AND ACKNOWLEDGMENT OF REVERSION OF LEASED PREMISES (this "Agreement") is made this ____ day of _____, 2026, between the **Sioux Falls Regional Airport Authority** ("Lessor"), and **Taylor Family Properties, LLC**, a South Dakota limited liability company, 4820 E. 57th St., Suite B, Sioux Falls, South Dakota 57108 ("Lessee").

RECITALS

A. Lessor and Lessee are parties to that certain Lease and Agreement dated April 27, 2017 (the "Existing Lease"), whereby Lessor leased to Lessee certain real property at Joe Foss Field in Sioux Falls, South Dakota, originally containing 10,800 square feet or 0.248 acres, more or less, as described on Exhibits "A" and "B" to the Existing Lease;

B. Lessor and Lessee are parties to that certain First Amendment to Lease and Agreement dated April 22, 2026 (the "First Amendment"), which reduced the Leased Premises under the Existing Lease to 9,337 square feet or 0.214 acres, more or less, to accommodate Lessee's proposed hangar development, and which provides in Section 4 thereof that if the Development Lease (as defined below) is terminated for any reason prior to substantial completion of the improvements contemplated thereunder, the reduction of the Leased Premises shall be null and void and the Leased Premises shall automatically revert to the original boundary and square footage described in the original Exhibits "A" and "B" to the Existing Lease, with the ground rent reverting accordingly;

C. Lessor and Lessee are parties to that certain Hangar Development Lease Agreement of even date with the First Amendment (the "Development Lease"), whereby Lessor leased to Lessee approximately 50,109 square feet or 1.150 acres, more or less, in Tract 1, Airport 3rd Addition to the City of Sioux Falls, Minnehaha County, South Dakota, for the construction of a multi-unit aircraft hangar facility (the "Development");

D. Lessee has elected not to proceed with the Development; no construction has commenced, no improvements have been placed on the premises leased under the Development Lease, and such premises remain in substantially the same condition as existed on the commencement date of the Development Lease; and

E. Lessor and Lessee desire to terminate the Development Lease by mutual agreement and to acknowledge and confirm the reversion of the Leased Premises under the Existing Lease pursuant to Section 4 of the First Amendment.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Lessor and Lessee agree as follows:

1. Termination of the Development Lease. The Development Lease is terminated effective as of _____, 2026 (the "Termination Date"). From and after the Termination Date, the Development Lease shall be of no further force or effect, and neither party shall have any further rights, duties, or obligations thereunder, except as expressly set forth in this Agreement. Lessee surrenders to Lessor, and Lessor accepts, possession of the premises leased under the Development Lease as of the Termination Date.

2. Condition of the Premises. The parties acknowledge that no construction commenced and no improvements were placed on the premises leased under the Development Lease, and that such premises are surrendered in substantially the same condition as existed on the commencement date of the Development Lease. No site restoration is required, and Lessor accepts the premises in their present condition.

3. Rent and Charges. Lessee shall pay all ground rent and other charges accrued under the Development Lease through the Termination Date, prorated on a daily basis at the Development Period rental rate. Any prepaid rent attributable to the period after the Termination Date shall be refunded to Lessee within thirty (30) days after the Termination Date. Upon such payment, Lessee shall have no further monetary obligation under the Development Lease.

4. Reversion of the Leased Premises Under the Existing Lease. Pursuant to Section 4 of the First Amendment, as a consequence of the termination of the Development Lease prior to substantial completion of the improvements contemplated thereunder: (a) the reduction of the Leased Premises effected by the First Amendment is null and void; (b) the Leased Premises under the Existing Lease have automatically reverted, effective as of the Termination Date, to the original boundary and square footage described in the original Exhibits "A" and "B" to the Existing Lease (10,800 square feet or 0.248 acres, more or less), as legally described on **Exhibit A** attached hereto and incorporated herein; and (c) the annual ground rent under the Existing Lease has reverted, effective as of the Termination Date, to the then-prevailing rate (as adjusted pursuant to Article V of the Existing Lease) as if the First Amendment had not been executed. This Agreement constitutes the written acknowledgment of reversion contemplated by Section 4 of the First Amendment.

5. Existing Lease Unaffected. Except as acknowledged in Section 4 above, the Existing Lease remains unmodified and in full force and effect in accordance with its terms, and Lessee shall continue as tenant thereunder for the remainder of its term.

6. **Mutual Release.** Effective upon the Termination Date and Lessee's payment under Section 3, Lessor and Lessee each release and forever discharge the other, and the other's commissioners, directors, officers, members, managers, employees, and agents, from any and all claims, demands, liabilities, and causes of action arising out of or relating to the Development Lease, whether known or unknown, except for the obligations created by this Agreement.

7. **Withdrawal of Development Submissions.** Lessee confirms the withdrawal of its development plans and related submissions to Lessor concerning the Development, and of any contemplated FAA Form 7460-1 filing, if any, associated with the Development.

8. **Further Assurances; Recording.** Each party shall execute and deliver such further documents as are reasonably necessary to carry out this Agreement, including any instrument reasonably required to evidence of record the termination of the Development Lease and the reversion of the Leased Premises. If a memorandum of the Development Lease or of the First Amendment was recorded, the parties shall record this Agreement (or a memorandum hereof) in the records of the Minnehaha County Register of Deeds.

9. **Representations.** Each party represents that it has full power and authority to enter into this Agreement; that the person signing on its behalf is duly authorized; and that it has not assigned, mortgaged, or otherwise transferred any interest in the Development Lease, except, in the case of Lessee, as has been fully released of record on or before the Termination Date.

10. **Miscellaneous.** This Agreement is governed by the laws of the State of South Dakota. It constitutes the entire agreement of the parties regarding the termination of the Development Lease and the reversion of the Leased Premises, supersedes all prior discussions of those subjects, is binding on the parties' successors and assigns, and may be executed in counterparts (including by electronic signature), each of which is an original and all of which together are one instrument. Capitalized terms used but not defined herein have the meanings given in the Existing Lease, the First Amendment, or the Development Lease, as applicable.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

LESSOR:

SIOUX FALLS REGIONAL AIRPORT AUTHORITY

By: _____

Name: _____

Title: Executive Director

STATE OF SOUTH DAKOTA)
: ss.
COUNTY OF MINNEHAHA)

On this ____ day of _____, 2026, before me, the undersigned officer, personally appeared _____, who acknowledged himself/herself to be the Executive Director of the Sioux Falls Regional Airport Authority, and that he/she, in such capacity and being authorized so to do, executed the foregoing instrument for the purposes therein contained.

_____
Notary Public, South Dakota
My commission expires: _____

LESSEE:
TAYLOR FAMILY PROPERTIES, LLC

By: _____
Name: John E. Taylor
Title: Member

STATE OF SOUTH DAKOTA)
: ss.
COUNTY OF MINNEHAHA)

On this ____ day of _____, 2026, before me, the undersigned officer, personally appeared John E. Taylor, who acknowledged himself to be the Member of Taylor Family Properties, LLC, and that he, in such capacity and being authorized so to do, executed the foregoing instrument for the purposes therein contained.

_____
Notary Public, South Dakota
My commission expires: _____

EXHIBIT A

Legal Description of the Leased Premises Upon Reversion
(Original Exhibit "A" to the Lease and Agreement dated April 27, 2017)

A parcel of land in Tract 1, Airport 3rd Addition to the City of Sioux Falls, Minnehaha County, South Dakota, more particularly described as follows:

Commencing at the northwest corner of Tract 1, thence S 64°12'01" E 431.26 feet to the Point of Beginning (bearing referenced to west line of Tract 1, which line bears S 01°33'59" E);

Thence N 88°12'21" E 80.00 feet;

Thence S 01°47'39" E 40.00 feet;

Thence N 88°12'21" E 15.00 feet;

Thence S 01°47'39" E 80.00 feet;

Thence S 88°12'21" W 95.00 feet;

Thence N 01°47'39" W 120.00 feet to the Point of Beginning;

Which parcel contains 10,800 square feet or 0.248 acres, more or less.